

/Dodd and Campaign Costs

Sen. Thomas Dodd of Connecticut held two dinners for himself. His friends not only picked up the tab, but left the Democrat \$100,000 in tips.

Now a Senate committee is trying to figure out whether Dodd received the money as a gift from his friends, or whether the funds were intended to finance his campaign. The difference has to do with taxes, and more important, ethics.

Washington Columnists Drew Pearson and Jack Anderson say Dodd's dinners were campaign gatherings. They charged that Dodd diverted what were actually campaign contributions to his own use. He should have paid taxes on the sum, they said, but didn't.

Dodd, who sicked the FBI on Anderson and Pearson, said the money was a tax-exempt gift to bolster his sagging finances. So far available facts do not appear to support him.

Hartford newspapers made no mention of Dodd's personal finances in accounts of the 1961 and 1963 dinners. They do, however, mention building the Dodd "war chest" for the 1964 campaign. The columnists also allege that in 1963 Dodd wrote Lyndon Johnson, a principal attraction at both dinners, that he appreciated his help in the "forthcoming campaign."

Proving that Dodd was actually

raising campaign funds would be difficult, say Internal Revenue Service spokesmen. For one thing, some 1,850 persons attended the dinners. It would be difficult to determine how many thought they were contributing campaign funds and how many gifts.

This facet of the case points up the need for reforms in campaign financing. President Johnson has proposed a series of changes, including tax incentives and deductions for those who contribute to political campaigns. Had such a law been in effect at the time of the Dodd dinners, the IRS would have little difficulty determining who thought they were making campaign contributions. They would have listed them as deductions.

While the tax issue is important, it is not nearly so crucial as the question of gifts for elected representatives. Federal laws limit individual campaign contributions and prohibit contributions by labor and corporations. But there are no safeguards against the undue influence that can be gained over officeholders by large gifts.

Associates of the senator contend that testimonial dinners to raise money for politicians are so commonplace as to be "part of the American way of life." So was bear-baiting at one time. It was remedied by law, as this practice should be.